

# WORLD INVESTMENT CASTING MARKET REVIEW 2004

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# Agenda

- Objective
- Market overview
- Individual Regional Presentations
  - Europe – Nevill Swanson, EICF
  - North America – Mike Perry, ICI
  - Asia – Katsuhisa Ishikawa, JACT
  - Other markets
- Discussion

# Objective

- To give an overview of the world investment casting industry
- Review in detail the major investment casting markets of Europe, North America and Asia
- In considering these areas it is important to understand their size and the contribution they make to the overall World investment casting industry
- It is also important to consider the changing shape of the industry with time

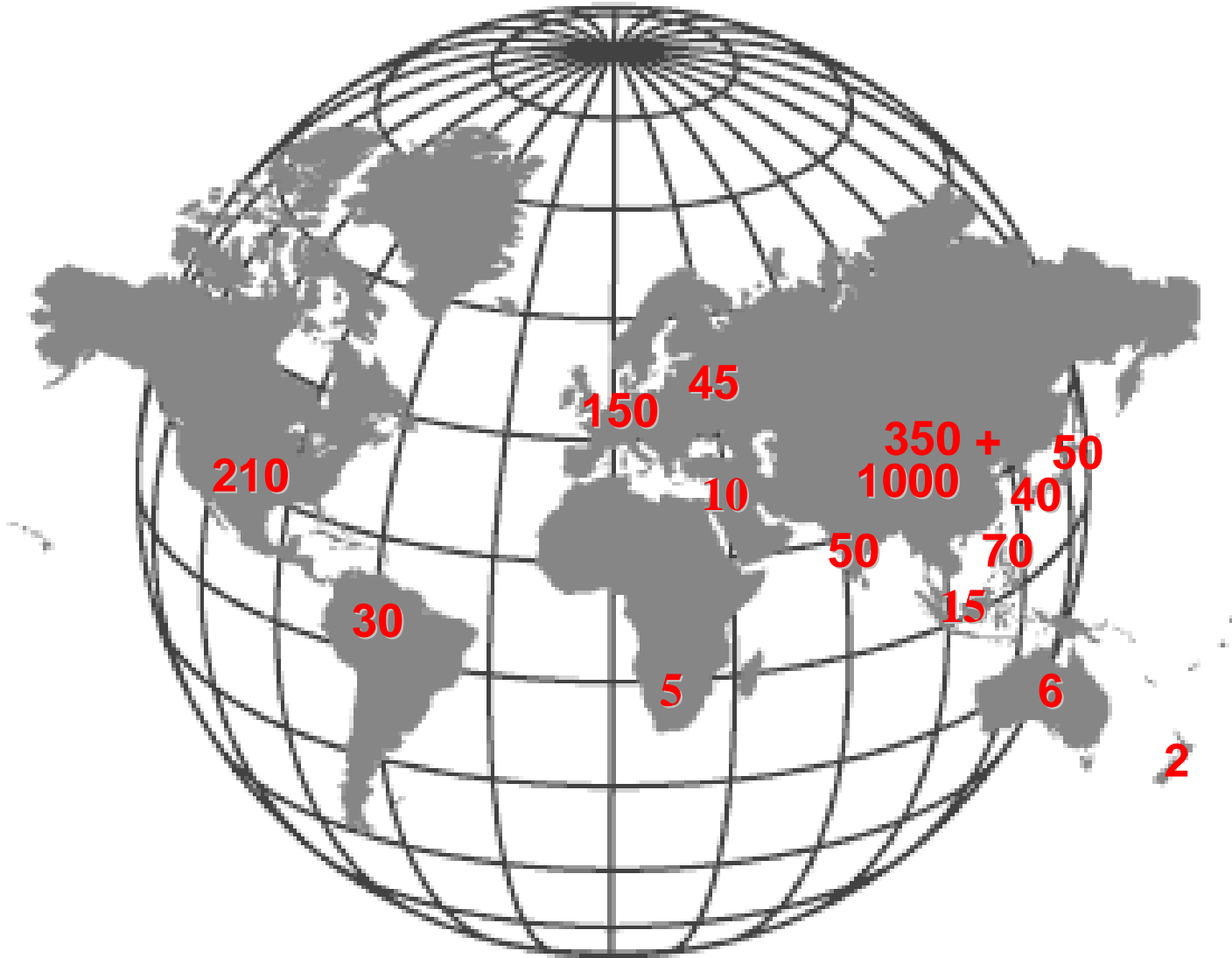
# Globalisation

- Globalisation affecting world markets
  - World will continue to shrink through faster communications
- Technical innovations will come at a faster rate
- Competition will become fiercer
- For Investment casting companies the effects felt at both ends of the spectrum
  - Large multinationals positioning globally striving for new markets
  - Smaller companies either specialise in niche markets or likely to be forced out

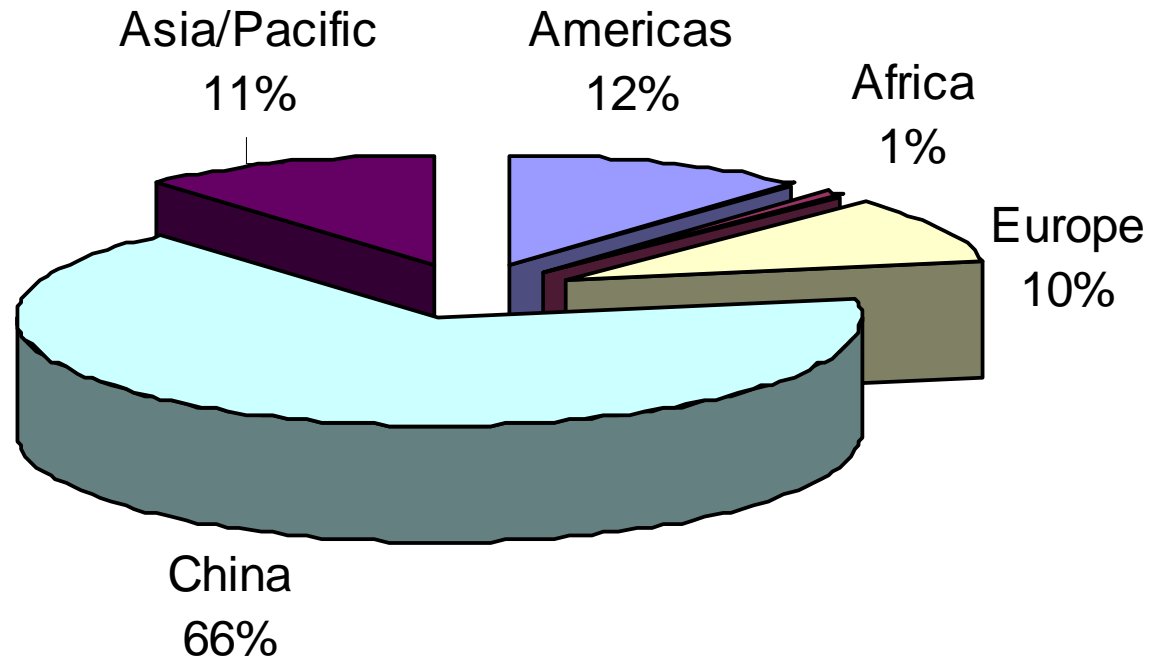
# The Changing World of Investment Castings

- Global Investment castings sales value fell in 2003 by 6.2% to US\$6.1B (6,100M)
- North America has long been dominant as the largest investment casting market in the World
- Whilst this remains true today, the growth in investment casting production and exports from China are making an impact
  - the only area to increase sales value in 2003
  - overtaking the rest of Asia in sales value

# Distribution of Investment Casting Foundries

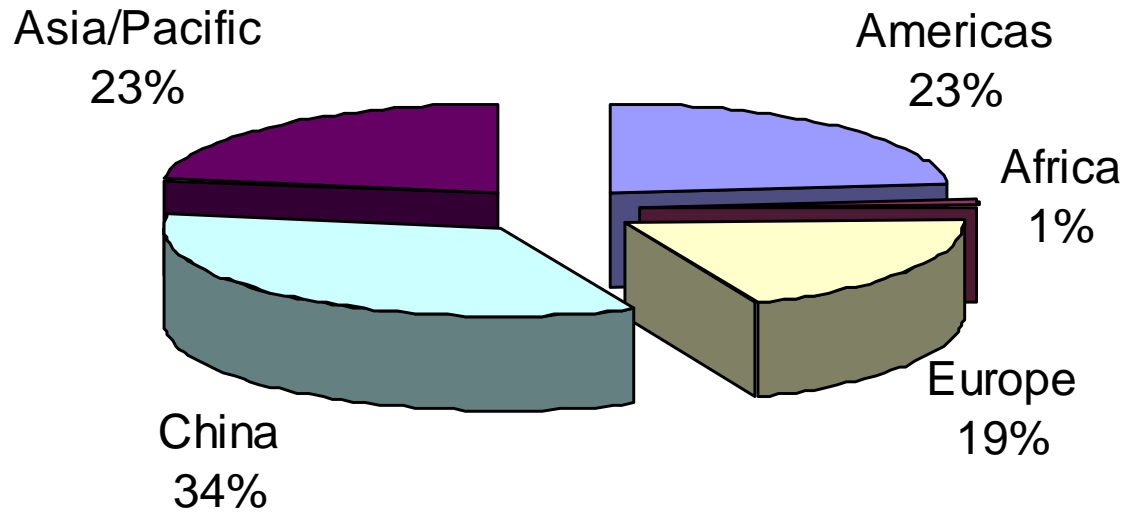


# Regional Distribution of Precision Investment Casting Foundries



NB All 1350 foundries in China included

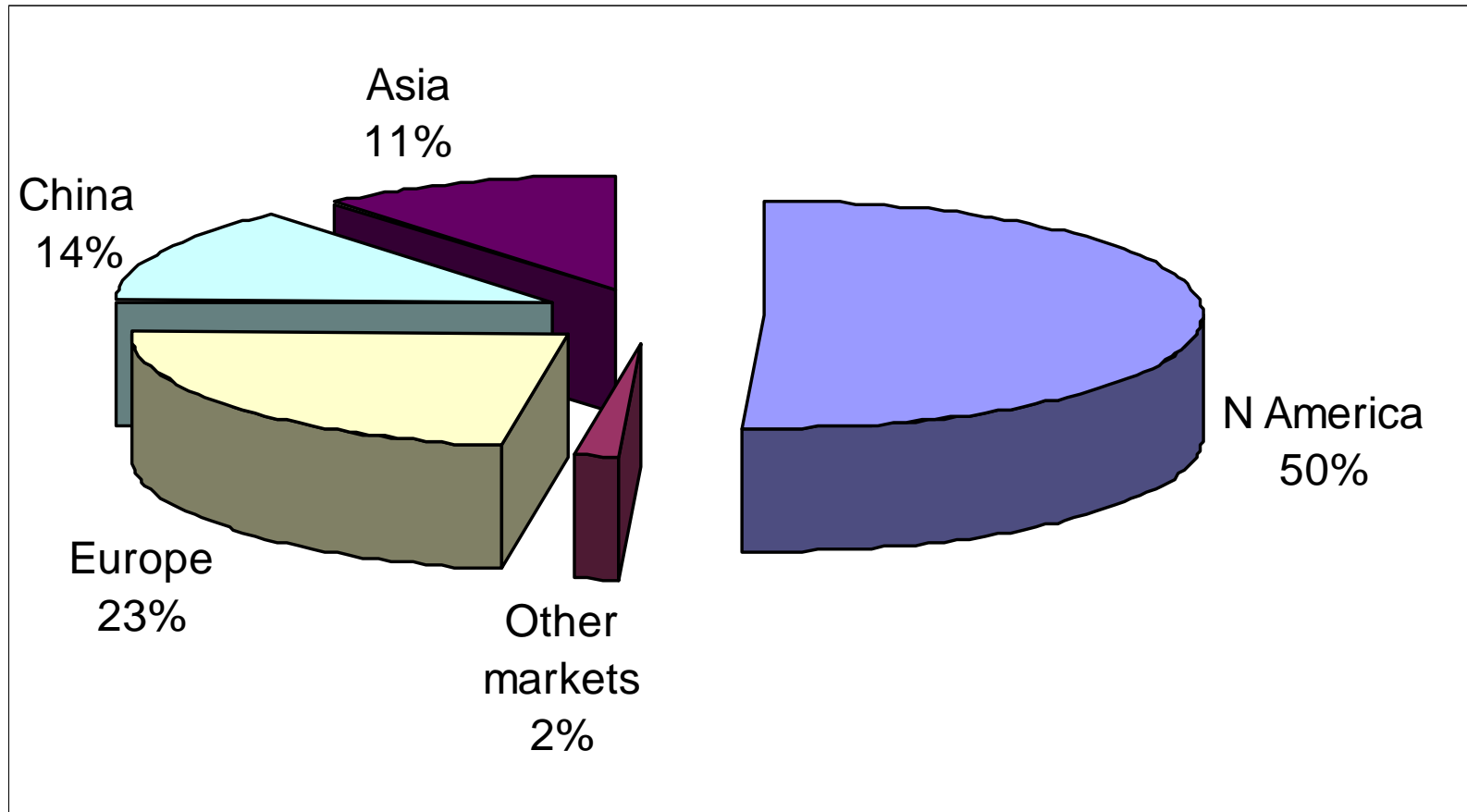
# Regional Distribution of Precision Investment Casting Foundries



NB only 350 "Precision" foundries in China included

# Global Sales by Region, 2003

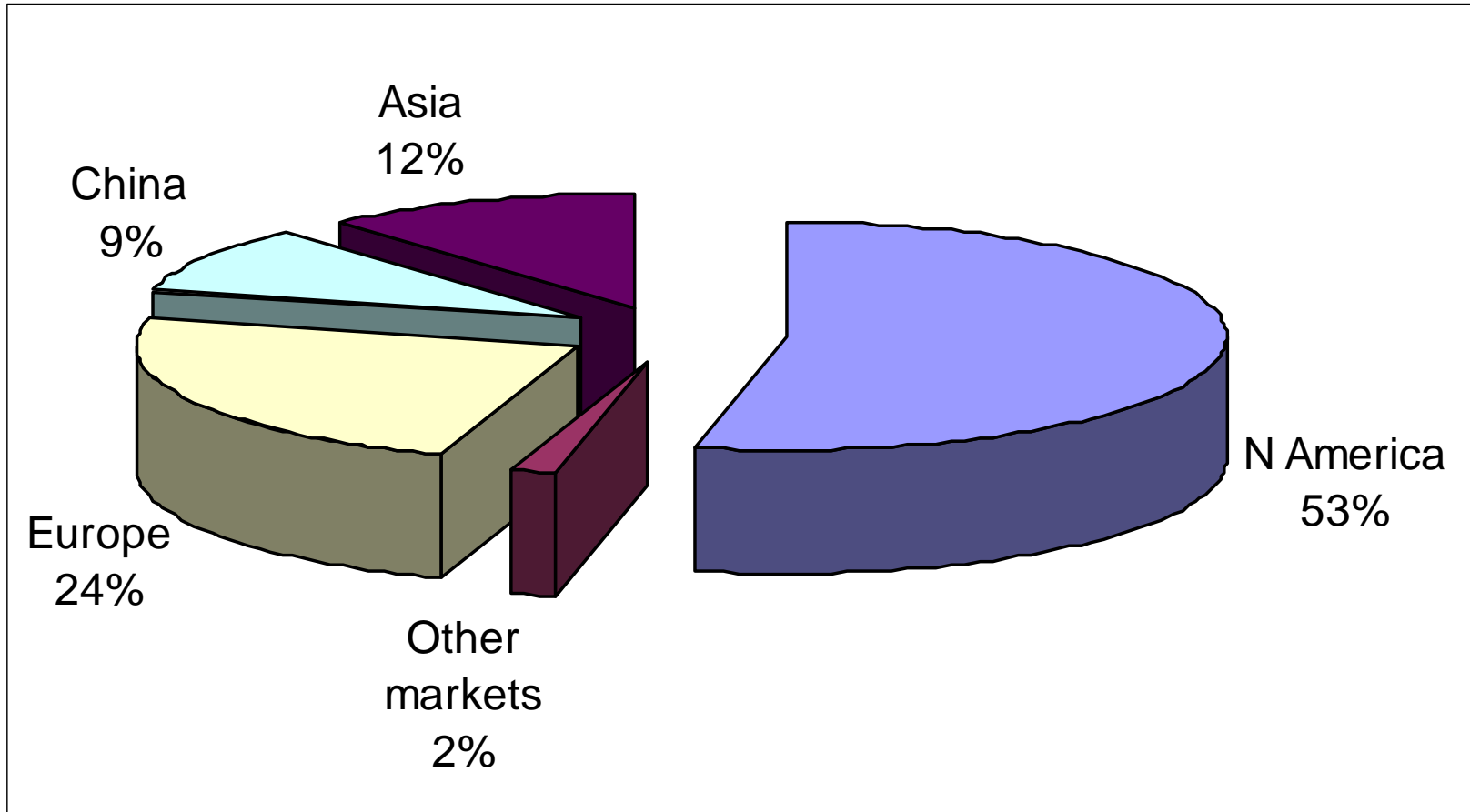
## US\$M



NB Includes ALL Chinese investment casting sales

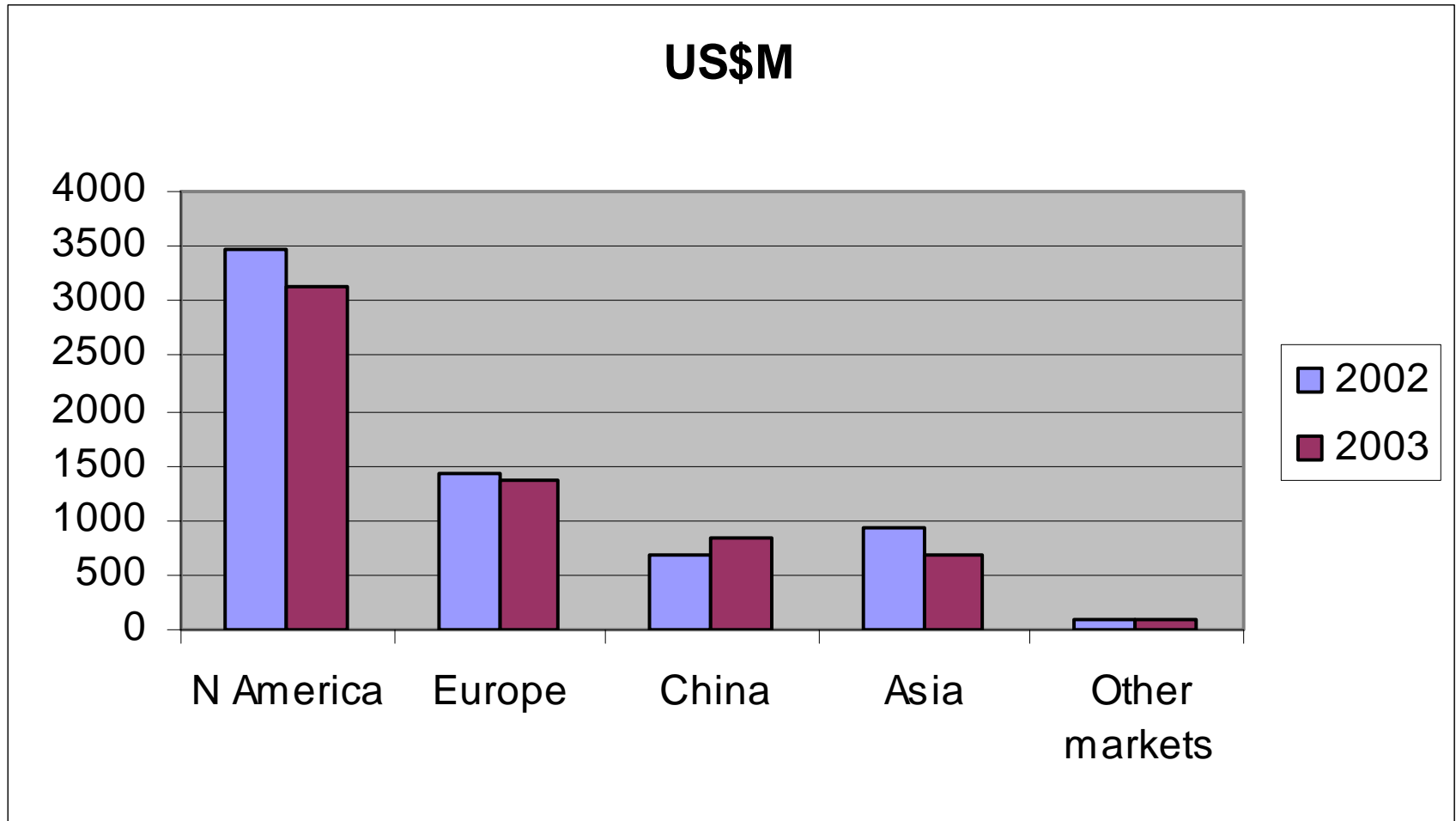
# Global Sales by Region, 2003

## US\$M



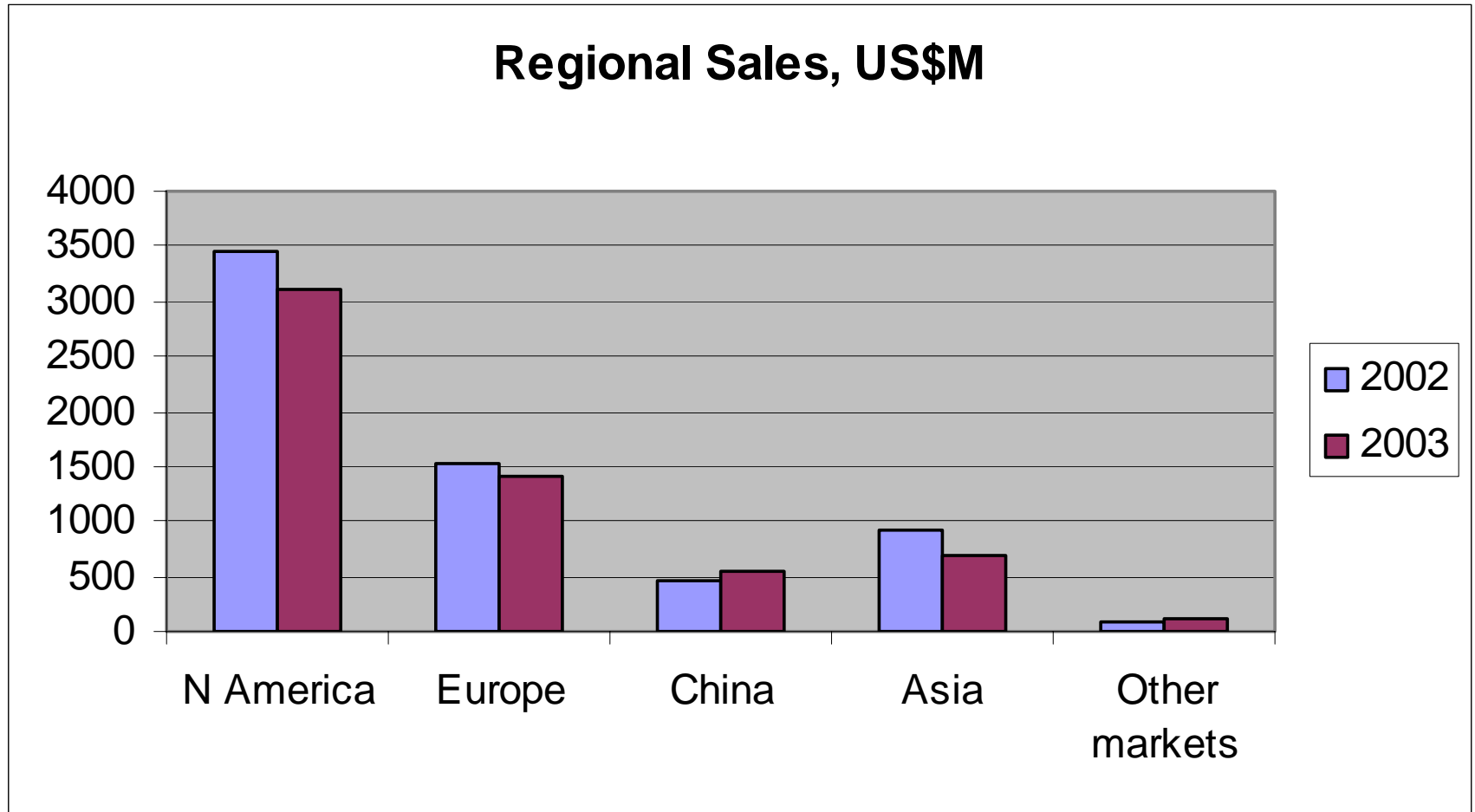
NB Excludes US\$280M 'Sodium Silicate' Chinese sales

# Regional Sales Value 2002 v 2003



NB Includes ALL Chinese investment casting sales

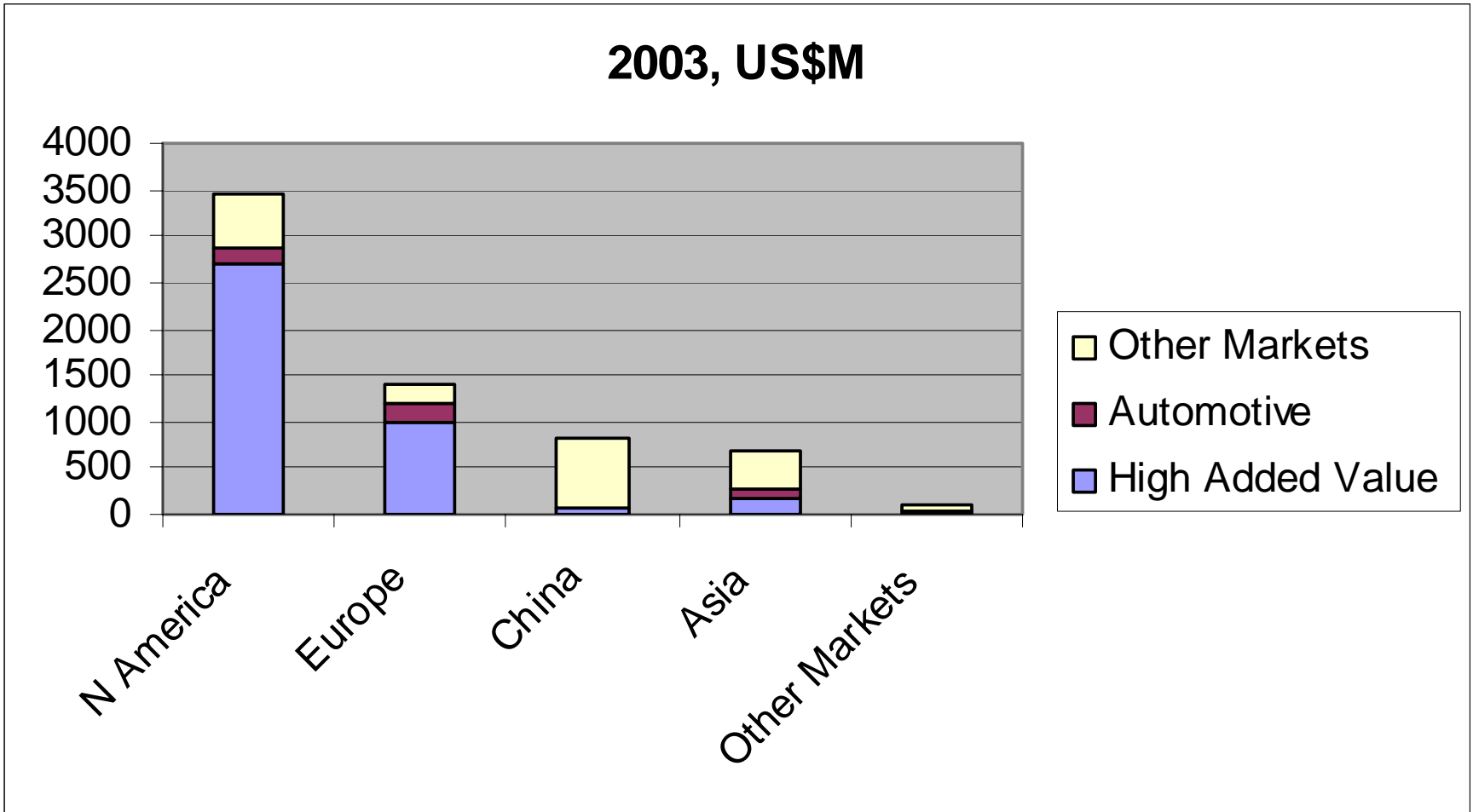
# Regional Sales Value 2002 v 2003



NB Excludes 'Sodium Silicate' Chinese sales

# Market Sectors by Region

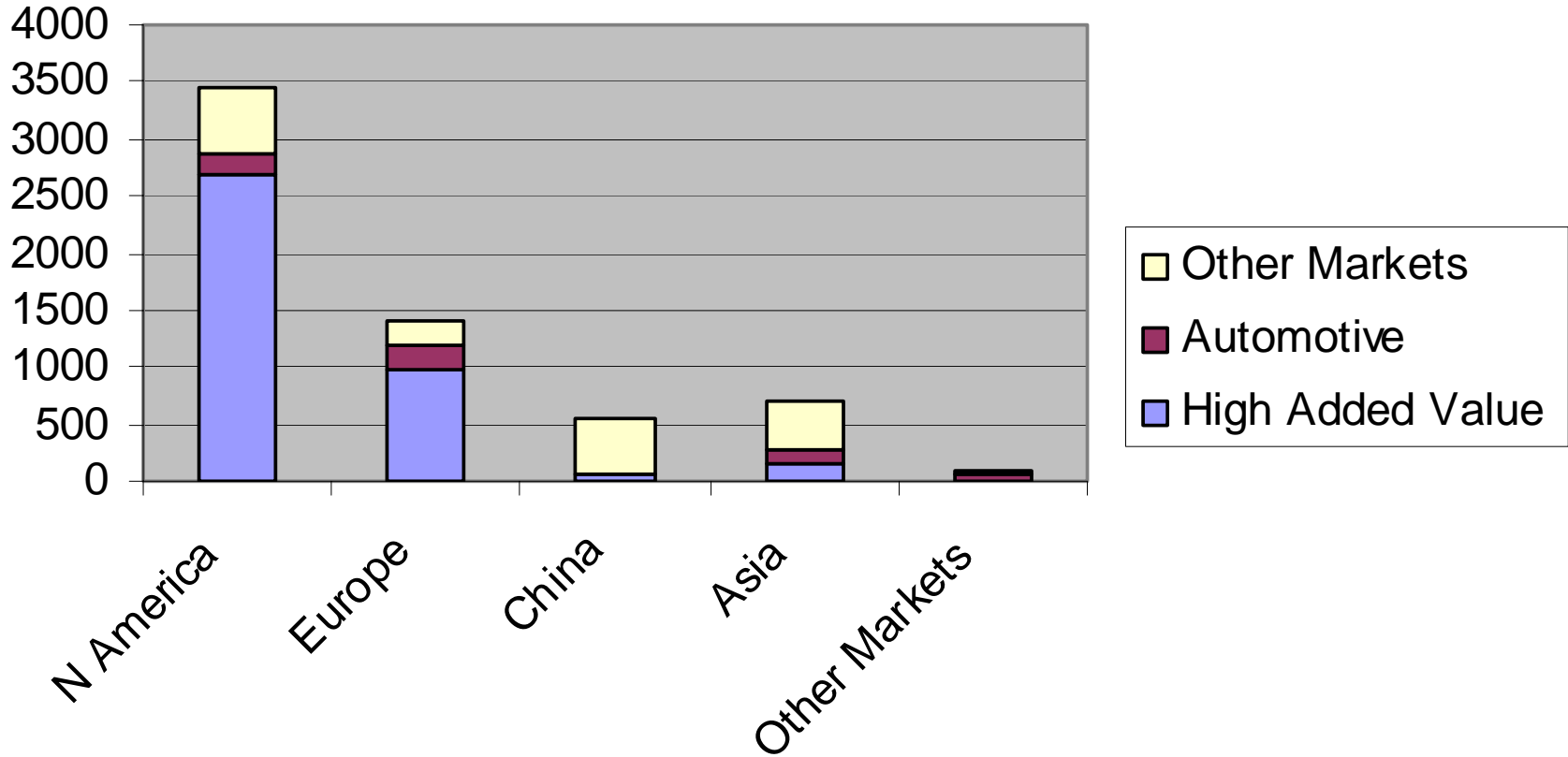
2003, US\$M



NB Includes ALL Chinese investment casting sales

# Market Sectors by Region

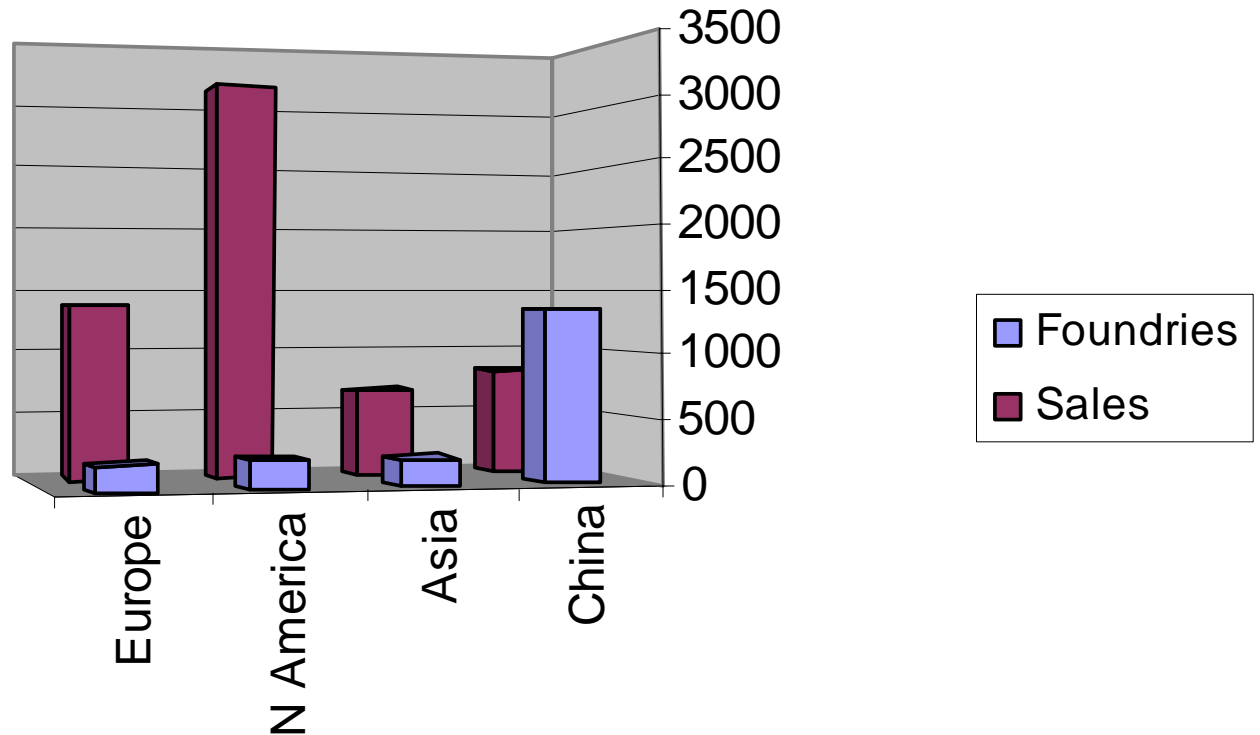
2003, US\$M



NB Excludes US\$280M 'Sodium Silicate' Chinese sales

# Major Market Comparison

## Foundries v Sales Value, 2003



NB China includes all foundries and all sales

# Regional Presentations

Europe – Nevill Swanson, EICF

North America – Mike Perry, ICI

Asia – Katsuhisa Ishikawa, JACT

# Other Markets

- India - growing market <50 foundries
- Australia/NZ – small market
- South America – has the potential for a large industry
- Africa
  - North – very limited
  - South – reasonable industry and known in world markets
- Russia – economy stabilising, has an established industry based on aerospace and commercial production

# Summary

- Reduction in engineering capacity in western markets maintaining pressures on volumes and prices
- Globalisation increasing competition
- Opportunities for growth do exist
- The challenge for the industry is to develop new markets for investment castings
- A unified approach to engineering associations, learning institutions, purchasing organisations etc would be helpful in achieving this aim
- Industry associations can be the vehicle for this and deliver new opportunities for their members

# Market Information

- This paper was created using both official statistics from the various investment casting organisations, and also from individuals and companies involved in the industry
- If anyone has information that can add to the database and create a more accurate picture of the global industry their input would be appreciated
- Please email to [rdohirst@blayson.com](mailto:rdohirst@blayson.com)

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## Discussion